



Investor Presentation

Forward Looking Statements

The foregoing contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are not historical facts and include expressions about management's confidence and strategies and management's expectations about new and existing programs and products, acquisitions, relationships, opportunities, taxation, technology, market conditions and economic expectations. These statements may be identified by such forward-looking terminology as "should," "expect," "believe," "view," "opportunity," "allow," "continues," "reflects," "typically," "usually," "anticipate," or similar statements or variations of such terms. Such forward-looking statements involve certain risks and uncertainties. Actual results may differ materially from such forward-looking statements. Factors that may cause actual results to differ materially from those contemplated by such forward-looking statements include, but are not limited to: a continued weakness or unexpected decline in the U.S. economy, in particular in New Jersey and the New York Metropolitan area; other-than-temporary impairment charges on our investment securities; higher than expected increases in our allowance for loan losses; higher than expected increases in loan losses or in the level of nonperforming loans; unexpected changes in interest rates; higher than expected tax rates, including increases resulting from changes in tax laws, regulations and case law; a continued or unexpected decline in real estate values within our market areas; declines in value in our investment portfolio; charges against earnings related to the change in fair value of our junior subordinated debentures; higher than expected FDIC insurance assessments; the failure of other financial institutions with whom we have trading, clearing, counterparty and other financial relationships; lack of liquidity to fund our various cash obligations; unanticipated reduction in our deposit base; potential acquisitions that may disrupt our business; government intervention in the U.S. financial system and the effects of and changes in trade and monetary and fiscal policies and laws, including the interest rate policies of the Federal Reserve; legislative and regulatory actions (including the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act and related regulations) subject us to additional regulatory oversight which may result in increased compliance costs and/or require us to change our business model; changes in accounting policies or accounting standards; our inability to promptly adapt to technological changes; our internal controls and procedures may not be adequate to prevent losses; claims and litigation pertaining to fiduciary responsibility, environmental laws and other matters; the possibility that the expected benefits of acquisitions will not be fully realized, including lower than expected cash flows from loan pools acquired in FDIC-assisted transactions, the State Bancorp, Inc. acquisition and other purchased loan transactions; the inability to realize expected cost savings and revenue synergies from the merger of State Bancorp with Valley in the amounts or in the timeframe anticipated; inability to retain State Bancorp's customers and employees; and other unexpected material adverse changes in our operations and earnings.

A detailed discussion of factors that could affect our results is included in our SEC filings, including the "Risk Factors" section of our Annual Report on Form 10-K for the year ended December 31, 2011 and our Current Report on Form 8-K filed on April 26, 2012. We undertake no duty to update any forward-looking statement to conform the statement to actual results or changes in our expectations. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements.

Shareholder Returns

Historical Financial Data (1)

(Dollars in millions, except for share data)

Years Ended	Total Assets	Net Income (2)	Diluted Earnings Per Common Share	Return on Average Assets	Return on Average Equity	Cash Dividends Declared Per Common Share	Common Stock Splits and Dividends
3/2012	\$ 15,950	\$ 34.5	\$0.18	0.88 %	9.34 %	\$0.16	5/12 - 5% Stock Dividend
2011	14,245	133.7	0.75	0.94	10.20	0.66	5/11 - 5% Stock Dividend
2010	14,144	131.2	0.74	0.93	10.32	0.65	5/10 - 5% Stock Dividend
2009	14,284	116.1	0.58	0.81	8.64	0.66	5/09 - 5% Stock Dividend
2008	14,718	93.6	0.58	0.69	8.74	0.66	5/08 - 5% Stock Dividend
2007	12,749	153.2	1.00	1.25	16.43	0.65	5/07 - 5% Stock Dividend
2006	12,395	163.7	1.04	1.33	17.24	0.64	5/06 - 5% Stock Dividend
2005	12,436	163.4	1.06	1.39	19.17	0.62	5/05 - 5% Stock Dividend
2004	10,763	154.4	1.05	1.51	22.77	0.60	5/04 - 5% Stock Dividend
2003	9,873	153.4	1.05	1.63	24.21	0.57	5/03 - 5% Stock Dividend
2002	9,148	154.6	1.01	1.78	23.59	0.54	5/02 - 5:4 Stock Split
2001	8,590	135.2	0.85	1.68	19.70	0.51	5/01 - 5% Stock Dividend
2000	6,426	106.8	0.82	1.72	20.28	0.48	5/00 - 5% Stock Dividend
1999	6,360	106.3	0.77	1.75	18.35	0.45	5/99 - 5% Stock Dividend
1998	5,541	97.3	0.74	1.82	18.47	0.41	5/98 - 5:4 Stock Split
1997	5,091	85.0	0.68	1.67	18.88	0.36	5/97 - 5% Stock Dividend
1996	4,687	67.5	0.59	1.47	17.23	0.32	5/96 - 5% Stock Dividend
1995	4,586	62.6	0.54	1.40	16.60	0.30	5/95 - 5% Stock Dividend
1994	3,744	59.0	0.60	1.60	20.03	0.29	5/94 - 10% Stock Dividend
1993	3,605	56.4	0.59	1.62	21.42	0.23	4/93 - 5:4 Stock Split
1992	3,357	43.4	0.46	1.36	19.17	0.20	4/92 - 3:2 Stock Split

(1) All per share amounts have been adjusted retroactively for stock splits and stock dividends during the periods presented. Data for the years prior to 2001 in the table above exclude certain prior year results for merger transactions accounted for using the pooling-of-interests method.

(2) Net income includes other-than-temporary impairment charges on investment securities, net of tax benefit, totaling \$12.2 million, \$2.9 million, \$4.0 million, \$49.9 million, \$10.4 million, and \$3.0 million for years ended 2011, 2010, 2009, 2008, 2007, and 2006, respectively.

Valley National Bank Today

About Valley

- ▼ Regional Bank Holding Company
- ▼ Approximately \$16 Billion in Assets
- ▼ Headquartered in Wayne, New Jersey
- ▼ 39th Largest United States Chartered Commercial Bank
 - ▼ One of the Largest Chartered Commercial Banks Headquartered in New Jersey
- ▼ Operates 211 Branches in 147 Communities Serving 16 counties throughout Northern and Central New Jersey, Manhattan, Brooklyn, Queens and Long Island
- ▼ Traded on the NYSE (VLY)

Significant Attributes

- ▼ Consistent Shareholder Returns
- ▼ Focus on Credit Quality
- ▼ Conservative Strategies
- ▼ Affluent and Heavily Populated Footprint
- ▼ Strong Customer Service
- ▼ Experienced Senior and Executive Management

Management Approach

Large Bank that Operates and Feels Like a Small Closely Held Company

- Large percentage of retail ownership
 - Long-term investment approach
 - Focus on cash and stock dividends
- Large insider ownership, family members, retired employees and retired directors
- Market Cap of \$2.4 Billion
- Approximately 275 institutional holders

Source: Bloomberg as of 4/26/2012

Valley's 1Q 2012 Highlights

Net Income

- 1Q net income available to common shareholders was \$34.5 million (\$0.18 Diluted EPS) adjusted for a five percent stock dividend declared by our Board of Directors on April 18, 2012, payable on May 25, 2012 to shareholders of record on May 11, 2012.
- Net Interest Margin for 1Q 2012 was 3.70% on a tax equivalent basis

Loan Growth*

- Total non-covered loans increased by \$247 million or 15.1% on an annualized basis
- Residential Mortgage: 39.7% annualized growth linked quarter
- Commercial Real Estate: 12.4% annualized growth linked quarter
- Commercial & Industrial: 4.7% annualized growth linked quarter
- Consumer Loans: (4.1%) annualized decline linked quarter

Credit Quality

- Total 30+ day delinquencies were 1.52% of entire loan portfolio
- Total non-accrual loans were 1.12% of total loans
- Out of approximately 25,000 residential mortgages and home equity loans, only 261 loans were past due **30 days** or more at March 31, 2012.
- Net charge-offs were \$6.3 million or 0.23% of average total loans during 1Q 2012 on an annualized basis compared with \$14.4 million or 0.59% during 4Q 2011.

Capital

- Strong capital ratios

Acquisitions

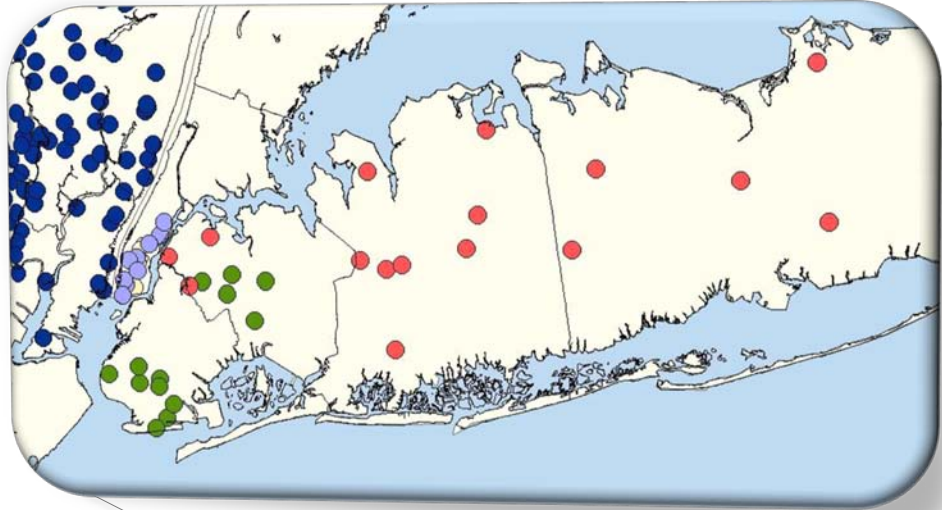
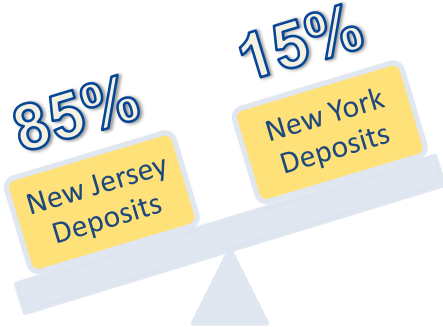
- State Bancorp, Inc. acquired by Valley National Bank effective 1/1/2012
- \$112 million in commercial real estate loans purchased from another financial institution

*Loan Growth excludes loans acquired from State Bancorp, Inc. and a \$37.0 million short-term commercial loan made to State Bancorp, Inc. during 4Q 2011.

Valley's New York Franchise

2001 Total NY Relationships

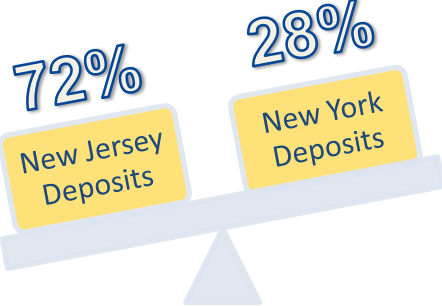
- \$950 million in NY deposits
- \$473 million in NY loans



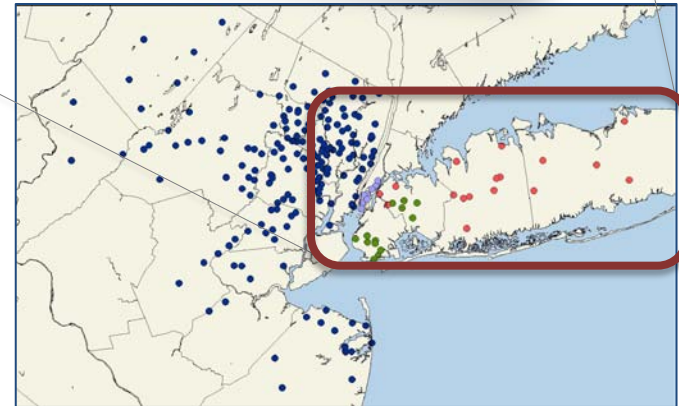
* NY loans include C&I loans only

2012 Total NY Relationships

- \$2.9 billion in NY deposits
- \$2.1 billion in NY loans



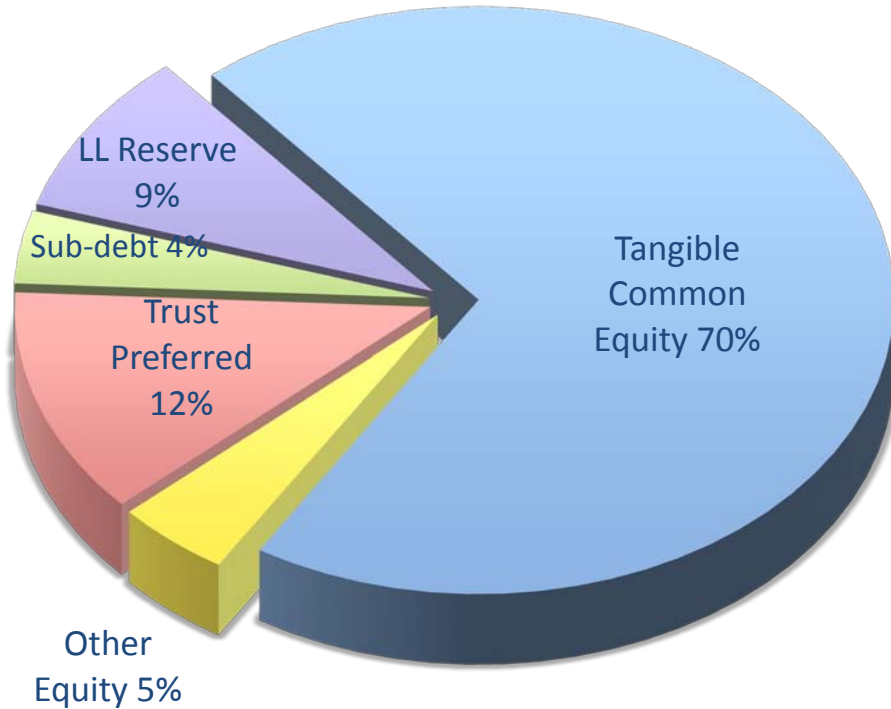
- **VLY NJ Branches** - 167
- **2001 Merchant's Branches**
Manhattan - 7
- **2001+ De Novo Branches**
Manhattan - 9
- **2007+ Brooklyn/Queens**
Brooklyn - 8
Queens - 5
- **2012 State Bank**
Queens - 2
Nassau - 8
Suffolk - 5



Future Opportunities

- Ability to lever Valley's capital to grow Long Island Franchise
 - Opportunity to fill in Nassau and Suffolk county geography
- Consumer Lending
 - Opportunity to introduce new products (State Bancorp does not actively pursue consumer lending relationships)
 - Valley's residential mortgage products
 - Valley's consumer lending (auto & home equity) products
- Commercial Lending
 - Opportunity to expand relationships
 - Larger lending limit

Equity Composition / Ratios*



Total Tier II Equity = \$1.5 Billion

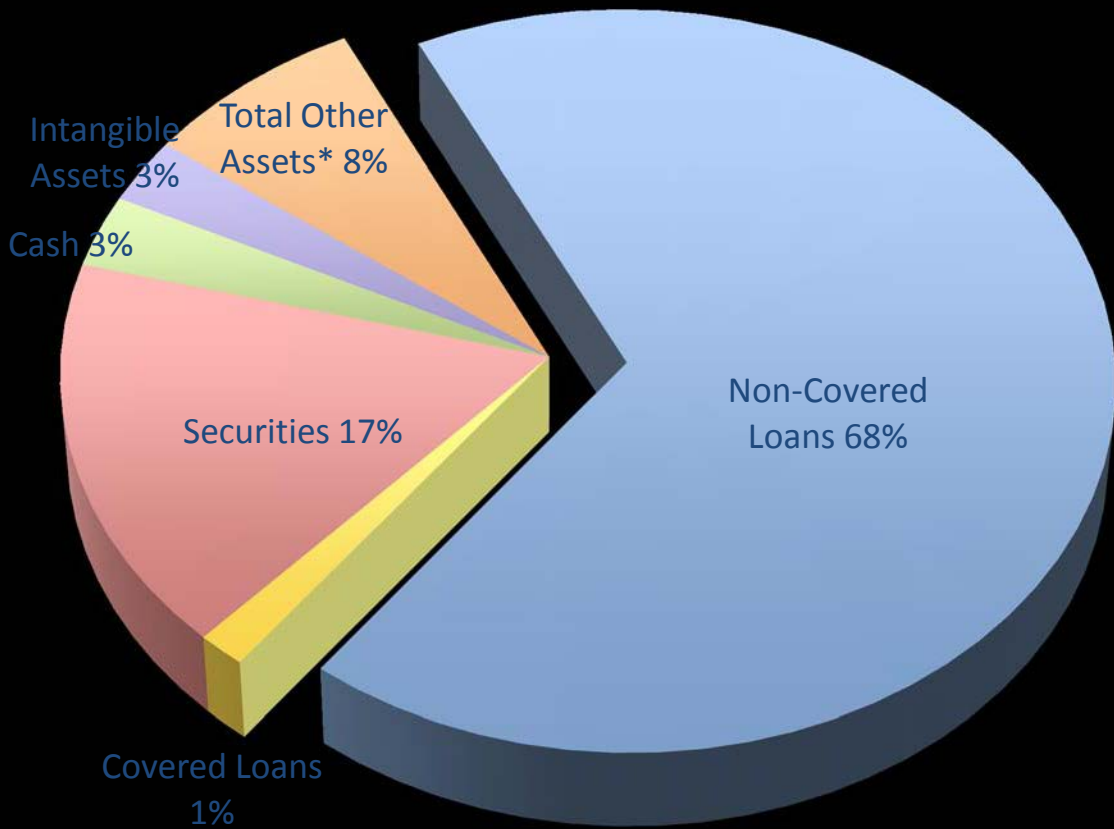
As of 3/31/2012

*Non-GAAP reconciliations shown on slide 19-20.

Capital Ratios	As of 3/31/2012	"Well Capitalized"
Tangible Common Equity / Tangible Assets	6.74%	N/A
Tangible Common Equity / Risk-Weighted Assets	9.00%	N/A
Tier I Common Ratio	8.99%	N/A
Tier I	10.59%	6.00%
Tier II	12.27%	10.00%
Leverage	8.08%	5.00%
Book Value	\$7.58	N/A
Tangible Book Value	\$5.30	N/A

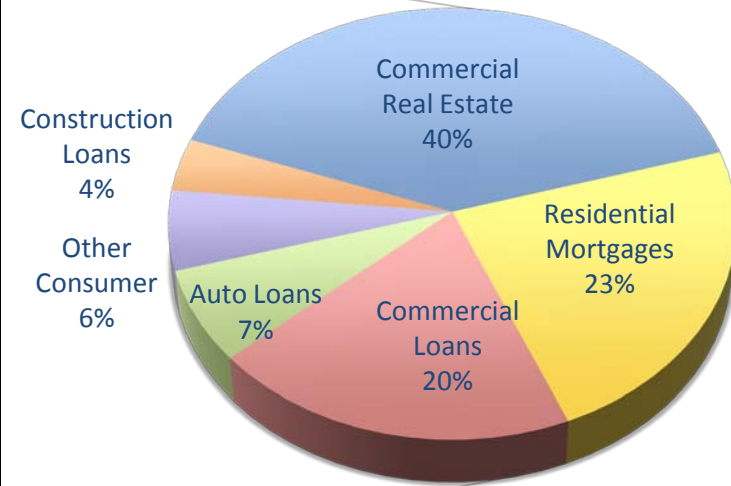
Significant unrealized gain on facilities, referenced in slide 10, not incorporated in capital ratios reflected above.

Asset and Loan Composition



Total Assets = \$16.0 Billion

Non-Covered Loans (Gross) = \$10.9 Billion



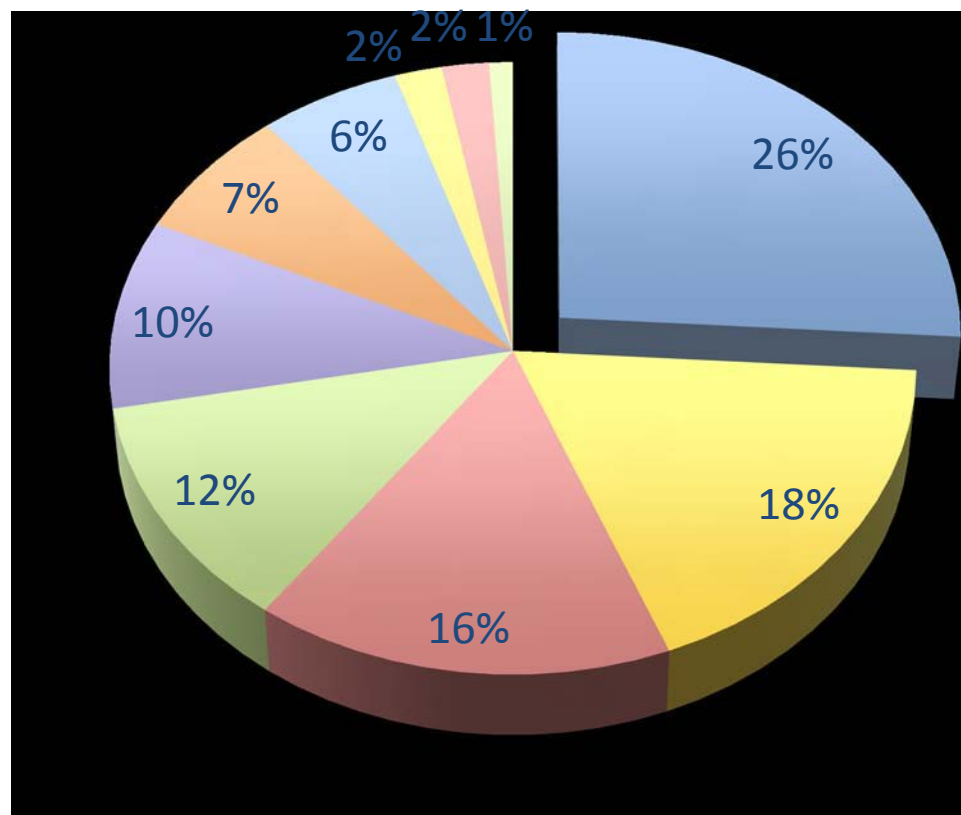
... includes bank owned branch locations carried at a ... by management to be significantly less than the ... current market value.

As of 3/31/2012

current market value.

Diversified Commercial Real Estate Portfolio

Primary Property Type	\$ Amount (Millions)	% of Total	Average LTV
Retail	906	26%	50%
Industrial	626	18%	51%
Apartments	544	16%	37%
Office	426	12%	53%
Mixed Use	364	10%	44%
Healthcare	238	7%	60%
Specialty	208	6%	50%
Residential	81	2%	49%
Land Loans	71	2%	67%
Other	32	1%	38%



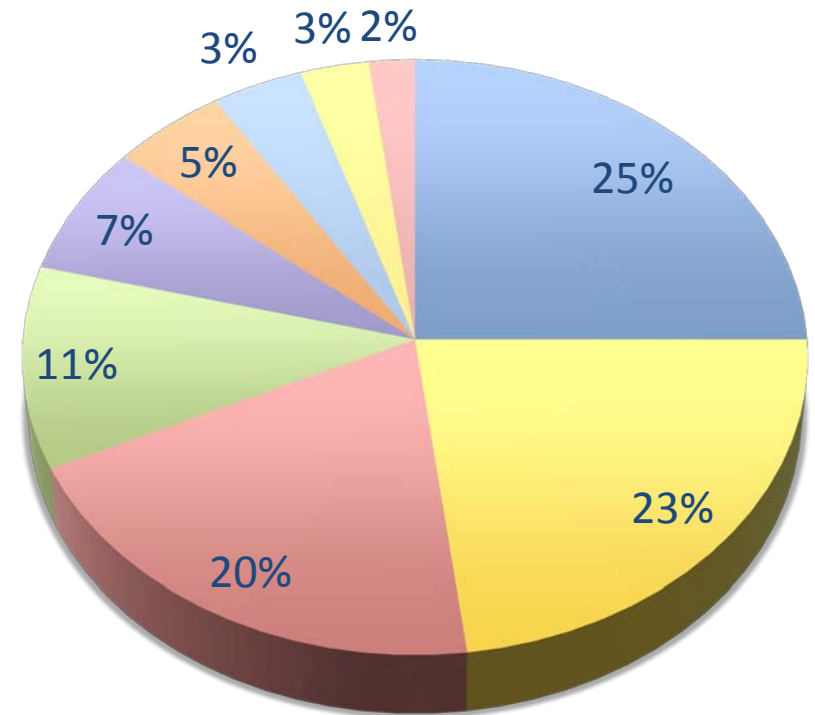
**Total Commercial Real Estate - \$3.5 Billion
(Non-Covered Loans)**

- Average LTV based on current balances and most recent appraised value
- The total CRE loan balance is based on Valley's internal loan hierarchy structure and does not reflect loan classifications reported in Valley's SEC and bank regulatory reports.
- The chart above does not include \$353 Million in Construction loans.

As of 2/29/2012, excludes loans acquired from State Bancorp, Inc.

Retail Composition of Commercial Real Estate

Retail Property Type	% of Total	Average LTV
Multi-Tenanted - Anchor	25%	51%
Multi-Tenanted - No Anchor	23%	54%
Single Tenant	20%	50%
Auto Dealership	11%	49%
Private & Public Clubs	7%	35%
Food Establishments	5%	54%
Entertainment Facilities	4%	56%
Private Education Facilities	3%	47%
Auto Servicing	2%	49%



**Total Retail Property Types - \$906 Million
(Non-Covered Loans)**

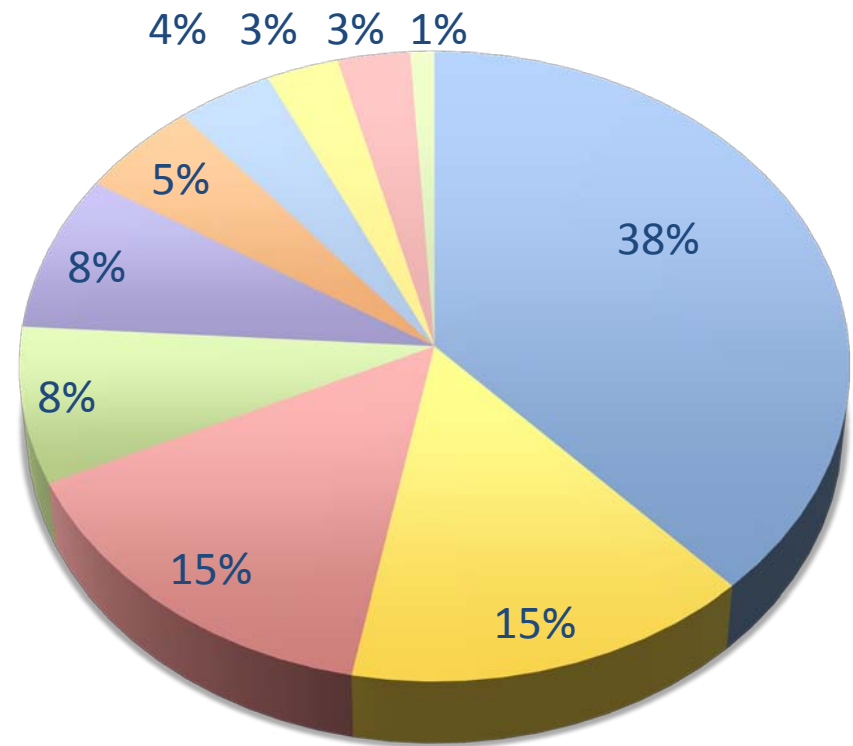
-Average LTV based on current balances and most recent appraised value
-The chart above does not include construction loans.

As of 2/29/2012, excludes loans acquired from State Bancorp, Inc.

Construction Loan Composition

Total (Non-Covered) Construction Loans - \$353 Million

Primary Property Type	\$ Amount (Millions)	% of Total
Residential	134	38%
Retail	54	15%
Land Loans	52	15%
Mixed Use	29	8%
Apartments	28	8%
Other	17	5%
Specialty	14	4%
Industrial	12	3%
Healthcare	9	3%
Office	4	1%



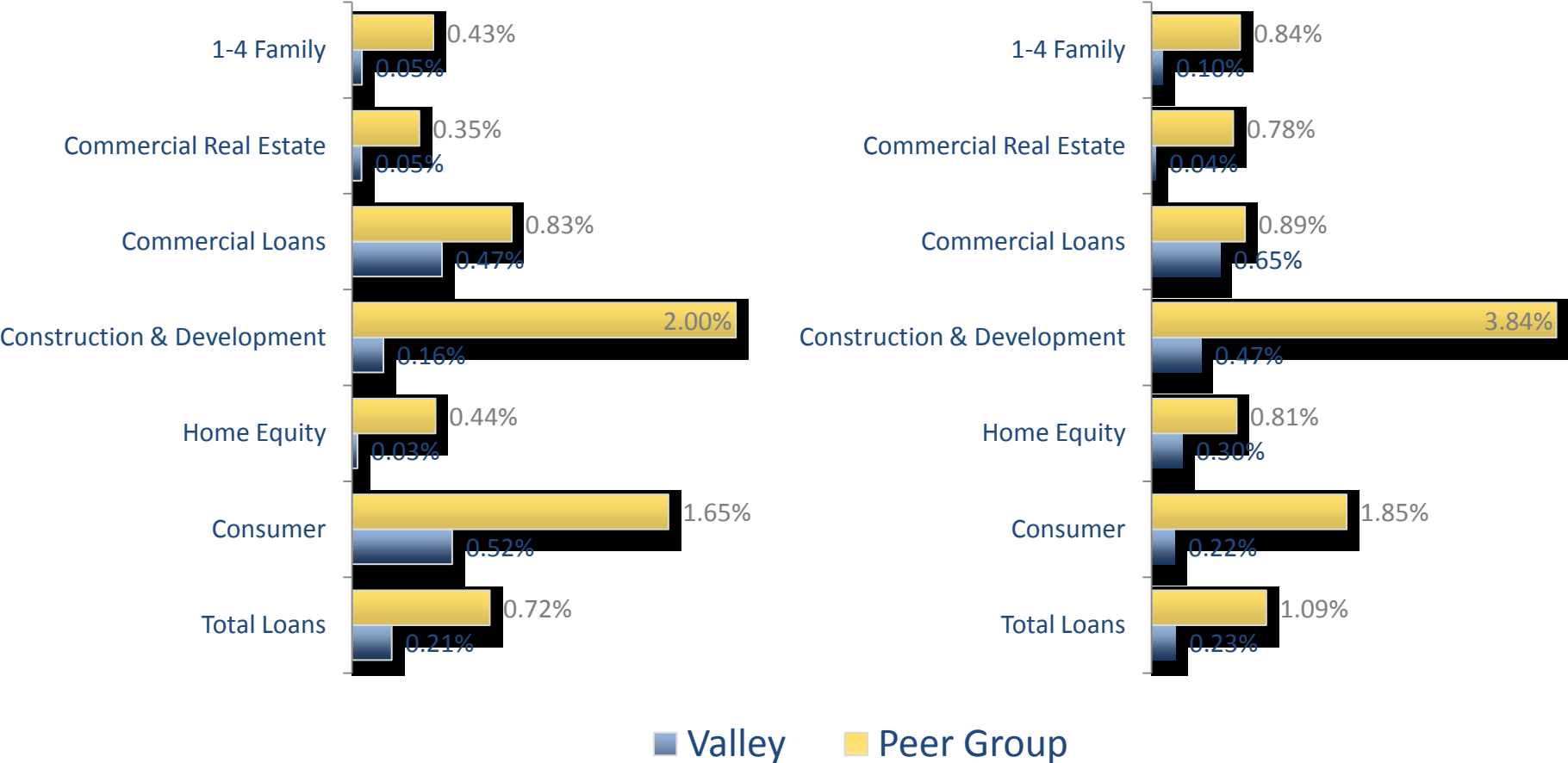
-Construction loan balance is based on Valley's internal loan hierarchy structure and does not reflect loan classifications reported in Valley's SEC and bank regulatory reports.

As of 2/29/2012, excludes loans acquired from State Bancorp, Inc.

Net Charge-offs to Average Loans

2003 - 2011

2012 YTD*

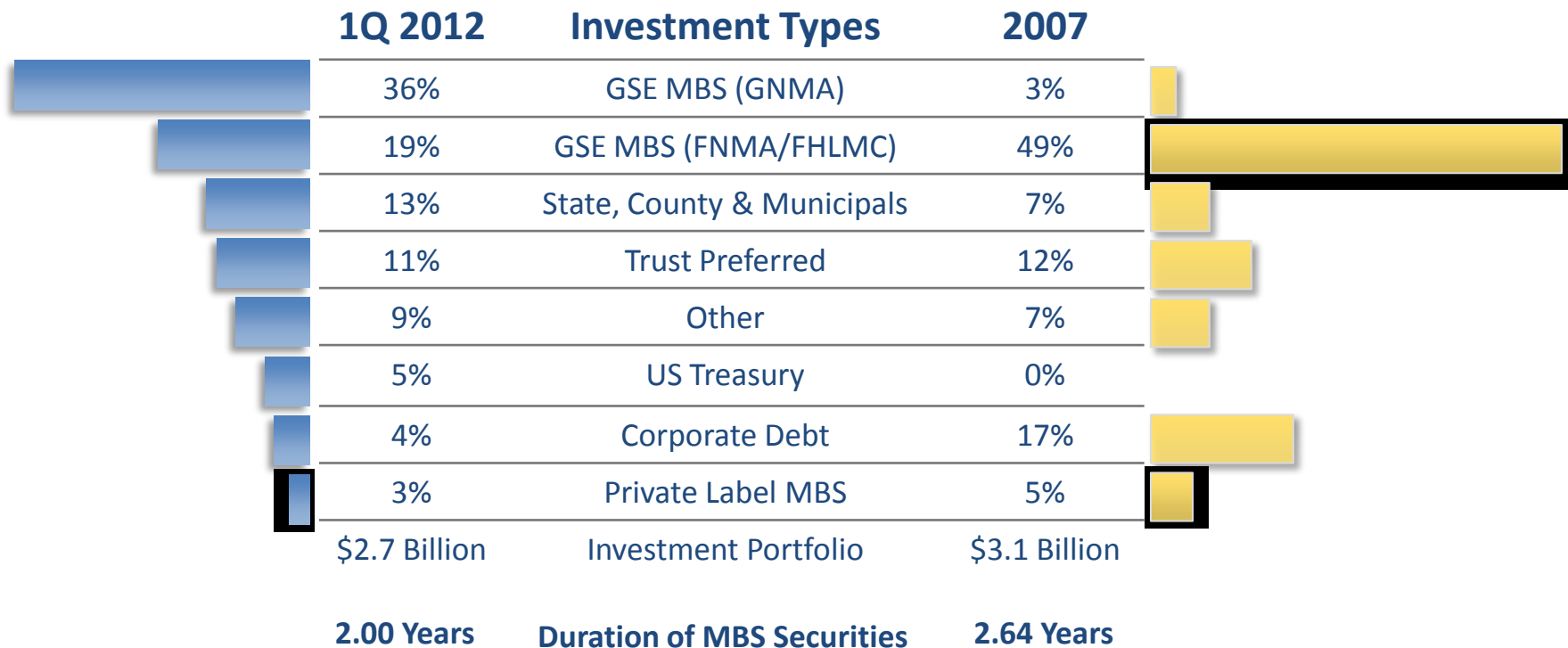


■ Valley ■ Peer Group

Peer group consists of banks with total assets between \$3 billion and \$50 billion.

*Valley 2012 Charge-offs exclude covered loans

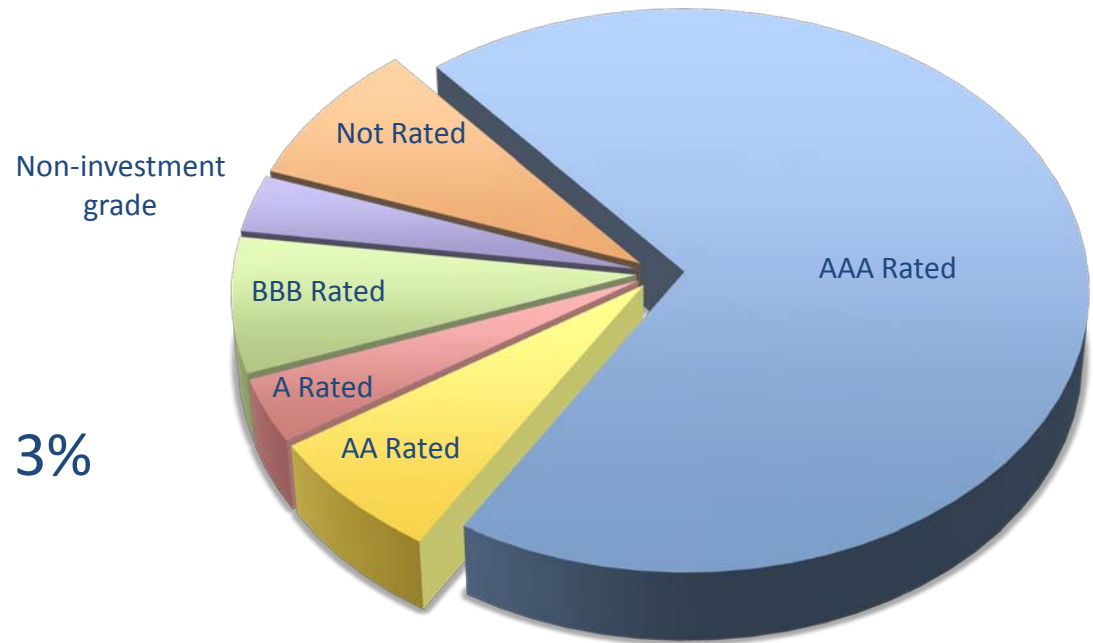
Investment Portfolio



As of 3/31/12 and 12/31/07

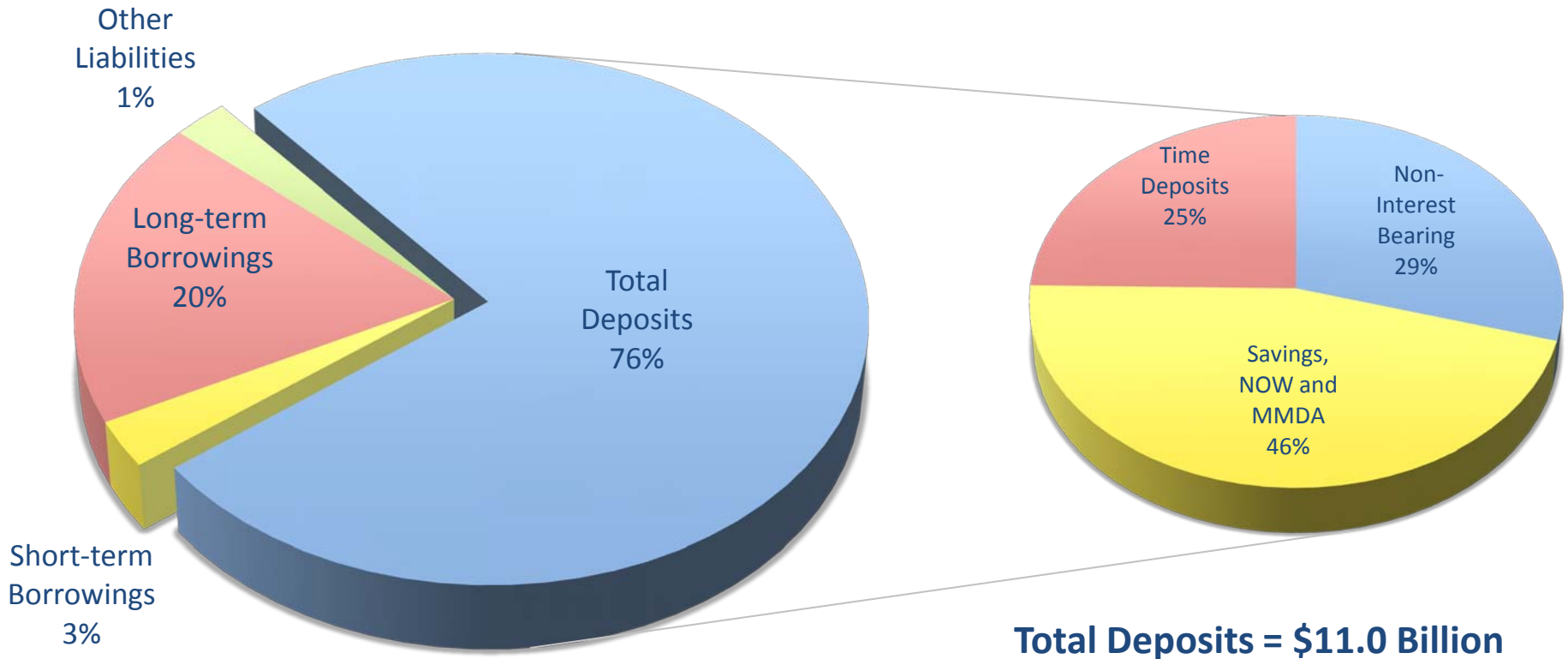
Securities by Investment Grade

- AAA Rated 70%
- AA Rated 7%
- A Rated 4%
- BBB Rated 8%
- Non Investment Grade 3%
- Not Rated 8%



As of 3/31/2012

Deposits and Borrowings Composition



Total Deposits = \$11.0 Billion

Total Liabilities = \$14.5 Billion

As of 3/31/2012

For More Information

- ▼ Log onto our web site: www.valleynationalbank.com
- ▼ E-mail requests to: dgrenz@valleynationalbank.com
- ▼ Call Shareholder Relations at: (973) 305-3380
- ▼ Write to: Valley National Bank
1455 Valley Road
Wayne, New Jersey 07470
Attn: Dianne M. Grenz, First Senior Vice President
Director of Marketing, Shareholder & Public Relations
- ▼ Log onto our website above or www.sec.gov to obtain free copies of documents filed by Valley with the SEC

3/31/2012

Non-GAAP Disclosure Reconciliations

(\$ in Thousands)

Total Equity	\$1,493,454
Less: Net unrealized gains on securities available for sale	7,327
Plus: Accumulated net gains (losses) on cash flow hedges, net of tax	11,378
Plus: Pension liability adjustment, net of tax	29,119
Less: Goodwill, net of tax	(419,592)
Less: Disallowed other intangible assets	(18,524)
Less: Disallowed deferred tax asset	(59,531)

Tier I Common Capital **\$1,043,631**

Plus: Trust preferred securities 186,313

Total Tier I Capital **\$1,229,944**

Plus: Qualifying allowance for credit losses \$135,576

Plus: Qualifying sub debt 60,000

Total Tier II Capital **\$1,425,520**

Total Assets	\$15,950,054
Less: Goodwill & Other Intangible Assets	(448,814)

Total Tangible Assets (TA) **\$15,501,240**

Total Equity	\$1,493,454
Less: Goodwill & Other Intangible Assets	(448,814)

Total Tangible Common Equity (TCE) **\$1,044,640**

Risk Weighted Assets (RWA) **\$11,613,395**

Ratios

TCE / TA **6.74%**

TCE / RWA **9.00%**

Tier I Common Capital Ratio **8.99%**
(Tier 1 common /RWA)

Tier I (Total Tier I / RWA) **10.59%**

Tier II (Total Tier II / RWA) **12.27%**

3/31/2012

Non-GAAP Disclosure Reconciliations

(\$ in Thousands)

Common Shares Outstanding*	197,069,110
Shareholders' Equity	\$1,493,454
Less: Goodwill and Other	(448,814)
Intangible Assets	
Tangible Shareholders' Equity	\$1,044,640
Tangible Book Value	\$5.30

*Share data reflects the five percent common stock dividend declared on April 18, 2012, to be issued May 25, 2012 to shareholders of record May 11, 2012